

Tax Increment Financing (TIF) District Advisory Board

1.11.07 Meeting minutes

Town Hall Board of Selectmen's meeting room

Present:

Jim Dannis

George Infanti

John McCormack

Jack Ruonala

Dave Roedel

Absent:

Len Mannino

Tom Brennan

Bill Parker, Director Community Development/TIF Administrator

Shirley Wilson, Recording Secretary

John McCormack opened the meeting at 7:30AM.

1. Review of the agenda.

J. McCormack reviewed the "to do" items and stated that we have made quite a bit of progress in the past week. We're moving into a marketing phase, and the additional tools that may be put in place can add more effectiveness for a better chance. This group will now have to continue to support these efforts. Tom had a terrific idea at the last meeting when he suggested he would be willing to stand up, within his own company, to express support for these efforts. At Tuesday's meeting, a discussion regarding industrial support came up and Bill told the Planning Board that we do have support. J. McCormack continued by saying; yes, industry will be concerned with whom they have on their doorstep, but at the same time they don't want to be the only ones left to pay the bill. Voters should also be made aware of the imbalance when residents and the few remaining industries have to pay disproportionately.

2. Update of Warrant Article and Rezoning.

B. Parker updated the Board saying that the warrant article met with positive results at the Selectmen's meeting on Monday. Finance Director Rose Evans reviewed the latest draft and suggested some minor wording changes, so we should have the final draft out very soon. Tuesday night the Planning Board held the public hearing on the ICI-2 district, where they voted 6 to 1 in favor of sending the rezoning article to the voters; and voted 5 to 2 in support of the rezoning article. B. Parker added that we are moving forward, and hopefully the Cabinet was clear on all the changes. J. McCormack noted that was a key element; to be mindful of the press and to get the story out correctly. J. Dannis said that progress has been fast, thanks to the support of the people around this table for coming out to the meetings; the effort was important, beneficial and effective.

G. Infanti expressed surprise and concern with Walter's vote and asked if the numbers would be disclosed. B. Parker replied that the Board decided to disclose the numbers but not who voted which way. J. Dannis noted that they may not be allowed to even disclose those numbers and a discussion on state guidelines followed. B. Parker said in the past the warrants would only state that the respective boards either supported or didn't support the article.

J. Dannis then brought up the definition of motorized vehicles pertaining to the rezoning. B. Parker added that this also played into the citizens petition to allow retail uses along Nashua St in the L-C District explaining that the Planning Board did not want auto sales in that district. To address the issue, a new definition was submitted to identify the use as being separate from retail uses. The wording has been revised and the definition is now for Motorized Vehicle Sales Facilities. Staff recommended that the use be allowed in the Commercial, ICI and ICI-2 districts; however, after discussion, the Planning Board decided not to allow the use in the ICI-2 District. You won't see a big car dealership on the corner at New England Steel Fabricators. J. McCormack noted that he tried several times to make the point at that meeting, that we should not tie our hands with restrictions, as the projects could be addressed individually at the Planning Board level, but to no avail.

3. Determination of TIF Advisory Board actions

A. Bond and Budget Public Hearing discussion

G. Infanti said that the public hearing was to explain and discuss each of the warrant articles. J. McCormack said he and Al will tag team at the meeting on the 15th and a discussion about what to expect followed. J. McCormack said his focus will be on the proactive work we are attempting to do. A. Hicks said we should really speak to the people, at that hearing, and explain the warrant articles so that we put their minds at ease that no one will go out to spend money tomorrow if this article goes through; there has to be a financial plan. New wording revisions to the article take out the guarantee of positive flow and we should be up front that there may be cycles of the bonding period that show negative cash flow. We will also need to point out the timing issues for developers. M. Reever said the voters could also be reminded about the current negative cash flow situation. G. Infanti added that we will also be pitching this to the papers at the same time, and commented it was good that Bill Parker stepped in at last night's Planning Board meeting to answer questions and take the time to explain everything. A discussion regarding potential questions followed.

B. Parker also explained that the only number we had at the time of the deadline for posting the public hearing was \$1.5 million; so we will have to advise the Selectmen that the number that will officially need to go on the warrant as \$2.46 million. J. McCormack said it was unfortunate we didn't have the higher number earlier because that will promote discussion right away. B. Parker noted that the new CHA number was for improvements going all the way to the bypass, which we won't necessarily do.

J. Dannis cited a question he received as to why the town couldn't call a special meeting if something came up and said his reply was that he thought it procedurally difficult; we should be prepared with an answer if anyone else asks at one of the meetings. B. Parker summed up the brief discussion that followed by stating that special meetings could only be called for some sort of an emergency situation, and this probably would not qualify. J. Dannis then echoed Al's point; the fine print should be a little more conservative by putting something in to state that there could be a negative carry period. We want to avoid taxpayers saying "you didn't tell us that." J. Dannis also said his sense was that this will not be controversial as long as we explain; it was a natural financing strategy and he didn't see anyone being a natural opponent.

A. Hicks said he heard that part of the Brox land would remain as it is and not be rezoned. B. Parker clarified that a small piece of Industrial land would be rezoned Residential to keep consistent with the school's zoning and a small piece of Residential would be rezoned Industrial; this warrant article rezones the whole south side of Old Wilton Rd and all the Brox industrial property. It does not rezone the Hawes property.

D. Roedel inquired about the scope of the 2.46 mil amount for the infrastructure improvements; is it to include or gain access to this identified property only or will there be an interchange on Rte 101? B. Parker said the numbers were for Perry Rd access, although it came up at the meeting this week whether we should or could extend the TIF District to the 101 interchange. This would certainly be something to think about.

B. Contact Businesses

G. Infanti said he mentioned this matter to Cliff Harris, president of the Souhegan Valley Chamber of Commerce, last night. He's very interested and will wait for Dave to contact him later this week. G. Infanti said he will talk it up with local businesses, including John at Hitchiner. B. Parker said we could contact Cirtronics.

C. Other Suggestions

- G. Infanti asked if we should contact the rotary.
M. Reever said it would be all right to update the group and remind them of last year's discussion. We could distribute literature. A. Hicks suggested waiting to do this until closer to the deliberative session and distribute materials.
- J. Dannis suggested putting some recognizable names in a letter to the editor in the Cabinet expressing support. B. Parker suggested a guest editorial spot, which he will coordinate. J. McCormack thought we should spread out the exposure to insure the best impact to the voters. B. Parker offered to help schedule. B. Parker will contact the Telegraph and the Broadcaster.

- D. Roedel suggested putting information at the local grocery stores.

4. Phase I Development costs

B. Parker said Marty Risley an engineer with Clough Harbour and Associates (CHA) provided the figures. Construction costs went up 16% from 2002 and the 2.943 figure represents a little farther than what we are calling for in phase I. B. Parker then explained the locations of parts A through D of phase I on the map. J. McCormack asked if the 20% contingency and bond costs were included. B. Parker replied yes, the 2.46 mil included A through C, the 20% contingency amount and Rose Evans added in the bond costs. J. McCormack asked how that compared to the original 1.5 mil number. A discussion regarding the different estimates ensued. B. Parker said A, B & C came about when the town was looking at the north side of the Brox property for a place to put the new police station and those numbers came from a Dufresne-Henry study in 2002; options A, B & C equaled 1.4 mil. The 1.5 mil number was an estimate for the newspaper and unfortunately we underestimated the figure; however, it's like comparing apples to oranges. J. McCormack said we should just have a good explanation for the increase.

G. Infanti brought up a conversation he had with Mark Fougere who said his preliminary figures would be quite a bit less to develop the Brox property.

D. Roedel said the contingency seemed extremely high, and asked if much due diligence had been done. J. Dannis said these numbers were based on the town fronting all the costs. J. McCormack added that if these numbers were too high, it could improve the developer's leverage. D. Roedel said the more due diligence done, the more we could believe those numbers and then asked if any soil tests had been done. B. Parker replied that some soil tests were done on the south side for the community portion and the whole site is totally clean. J. McCormack noted what was on the site beforehand makes a big difference and a discussion followed. B. Parker said phase I was done when we bought the property. D. Roedel said that was good historical information. J. McCormack said this should be approached as preliminary engineering numbers. B. Parker agreed that was a key point.

5. TIF District marketing

D. Roedel is hoping for a time commitment from Konover within the week. There is also potential for a meeting with another developer from Boston. Maybe as interest levels increase, we could put a standard informational package together to give them beforehand. J. McCormack said it would be beneficial to get two or three developers in here, to get their first read on the whole package and to educate us.

J. McCormack said we should keep Brad Vear advised of our meetings and at the same time we should be asking for monthly updates from him as well. M. Reeve reiterated that we should keep Brad a part of this process. J. Dannis asked who Brad is in contact with regularly. B. Parker replied that he talks to Brad occasionally and he was fine with being the contact person on a more structured level.

6. Landquest follow up

J. McCormack said that we should keep Landquest in the loop as well. D. Roedel said it was important for development companies to know about Land Quest's interest in this property and the possibility of different demographics. G. Infanti said the reality is that the Hawes land is there and for sale; additional interests could make a difference for developers, especially as far as who puts the roads in.

J. Dannis said that once this gets through the vote, we will have two tools and the engineering costs in place. Would it be beneficial or realistic to maybe set a date in July to accept proposals and let the competition focus on a date? We could organize a process and see if it flies. D. Roedel said that would not be unrealistic, but he doesn't know if there is that much demand out there. We could tuck this thought away in our minds and if there is initial interest, we could develop a process. J. McCormack added that we need to meet with developers first to get input. D. Roedel said he would be interested in what the developers will say about developing the Brox property as a stand alone parcel versus trying to assemble this corner. A commercial developer would want the corner because Brox is right in the middle. Let's see what they will tell us, because towns should stay out of the

development business. B. Parker said Mr. Bucknam, who owns the corner piece, was in the audience Tuesday night and a discussion regarding that property resulted. M. Reeve said that we should be letting the public know at these public hearings what all these changes mean and that these proposed changes would be positive. D. Roedel classified the changes as having a mechanism in place to drive development, which helps create interest and eventually adds to the tax base.

7. Other Business:

A. Next meeting;

It will be scheduled for February 1, 2007, 7:30 AM in the Board of Selectmen meeting room. This meeting is tentative, if needed. D. Roedel said he would not be able to attend.

B. Important upcoming meetings;

January 15th, 2007 - Budget & Bond hearing 6:30PM (Town Hall)

J. McCormack asked the Board to get the word out to anyone who will listen, and speak in support of the warrant articles.

February 3rd, 2007 – Deliberative session 9:00AM (Town Hall)

G Infanti noted that at the deliberative session, the zoning article can't be change but voters can amend the petition warrant article. The deliberative session is like the old town meetings and is very important; anything can happen. A discussion regarding the selectmen's support of the warrant articles followed.

March 13, 2007 – Voting day

C. Bylaws

J. McCormack said he and Bill will finalize the wording.

D. Minutes

J. Dannis suggested putting the TIF minutes on the website and all agreed. J. Dannis also submitted a few minor corrections.

M. Reeve thanked the BOS and TIF Boards for all they've done; for the things that the MIDC was unable to do by themselves. There is more interest in the area now and maybe this is the proper time to change our name from Milford Industrial Development Committee to Economic Development. J. McCormack added that a developer may come along and the TIF district could fold leaving Economic Development which would be ideal for everyone.

To do items:

- ⇒ Revise the draft by-laws.
- ⇒ Coordinate meeting with Konover Development.
- ⇒ Continued support for the TIF bonding warrant article.
 - ◆ Contact the Chamber of Commerce to help us lobby.
 - ◆ Contact the business community.
 - ◆ Contact the Rotary
 - ◆ Distribute information to grocery stores
- ⇒ Minutes on website

Continuing items:

- ⇒ Maintain an on-going progress file.
- ⇒ State support and the ten year plan for access to the property.
- ⇒ On-going contact with Brad Vear and monthly updates.
- ⇒ Proposal, re-marketing plan and list of key players from Brad Vear.
- ⇒ On-going contact with Land Quest.

The meeting was adjourned at 8:45AM.